



March 1, 2018

Hon. Stacy L. Ruble, Secretary
Postal Regulatory Commission
901 New York Avenue NW, Suite 200
Washington, D.C. 20268-0001

Dear Mr. Ruble:

In connection with the Commission's rules pertaining to periodic reports, 39 C.F.R. § 3050, I am submitting today copies of the quarterly Billing Determinants for Quarter 1 of Fiscal Year (FY) 2018. This report consists of two main parts:

1. Market Dominant Products Billing Determinants – FY 2018 Quarter 1 (This part is **Public**, and includes a total of eight subparts organized by class¹);
2. Competitive Products Billing Determinants – FY 2018 Quarter 1 (This part is **Non-Public**, and includes a total of nine subparts²);

I have uploaded electronic copies of each of these files to their respective Public and Non-Public folders on the United States Postal Service Secure Large File Transfer Web Application portal (USPS SLFT).

As noted above, part 1 of the Billing Determinants for Quarter 1 (Market Dominant Products Billing Determinants) is public and may be posted on the Commission's website. Part 2 (Competitive Products Billing Determinants) is

¹ Specifically, Alaska Bypass, Bound Printed Matter, First-Class Mail Domestic, First-Class Mail International, Media and Library Mail, Market Dominant Special Services, Periodicals, and USPS Marketing Mail. Note that the Market Dominant Special Services file includes the billing determinants for international special services, consistent with the change announced in the Letter of Maria W. Votsch to the Commission, dated March 27, 2017, which transmitted the billing determinants for Quarter 4 FY 2017. In quarters preceding Quarter 4 FY 2017, international market dominant special services had been included in the "International Market Dominant" billing determinants files, which now include only First-Class Mail International products and have been relabeled accordingly.

² Specifically, a cover page plus Competitive International, Competitive Special Services, First-Class Package Service, Parcel Return Service, Parcel Select, Priority Mail, Priority Mail Express, and Retail Ground.

confidential and non-public and should not be posted on the Commission's website. The Postal Service has determined that the entire contents of this competitive products submission should be withheld from public disclosure and that redaction of only parts would not be meaningful or practicable.

In the letter of Maria W. Votsch to the Commission, dated November 27, 2017, which transmitted the Billing Determinants for Quarter 4 of FY 2017, Ms. Votsch enclosed, as Attachment 1, the Postal Service's "Application of the United States Postal Service for Non-Public Treatment of Materials." The Postal Service incorporates this application by reference here. References to Quarter 4 of FY 2017 in the document should be read to refer to Quarter 1 of FY 2018. The application applies to all of the materials described above that the Postal Service has designated as non-public and for which it has requested confidentiality.

If you have any questions regarding this submission or the discussion above, please do not hesitate to contact me.

Best regards,

/s/

Kara C. Marcello
Attorney, Pricing and Product Support

cc: Ms. Taylor